DOCUMENT RESUME

ED 274 748 UD 025 153

TITLE	Job Corps: Its Costs, Employment Outcomes, and Service to the Public. Briefing Report to the Chairman, Committee on Labor and Human Resources, United States Senate.
INSTITUTION	General Accounting Office, Washington, D.C.
REPORT NO	GAO-HRD-86-121BR
PUB DATE	Jul 86
NOTE	28p.
AVAILABLE FROM	U.S. General Accounting Office, P.O. Box 6015, Gaithersburg, MD 20977 (1st 5 copies free; additional copies $2.00 each; 25% discount on 100 or more).
PUB TYPE	Reports - Descriptive (141) -- Reports - Evaluative/Feasibility (142)
EDRS PRICE	MF01/PC02 Plus Postage.
DESCRIPTORS	Budgets; *Cost Estimates; Expenditures; *Federal Programs; Job Placement; *Job Training; Outcomes of Education; *Public Service; Work Experience; *Youth Programs
IDENTIFIERS	*Civilian Conservation Corps; *Job Corps

ABSTRACT

This report evaluates the cost effectiveness of the Civilian Conservation Centers (CCCs) which are part of the Job Corps program but operated under inter-agency agreement by the Departments of Agriculture and the Interior. Data are from the program year beginning July 1, 1984. Information is presented on: (1) the costs, job placements, and starting wages for youth after receiving training; and (2) the nature and extent of public service activities performed by the CCCs and comparably sized Job Corps centers that are administered under competitive contract. The review included 29 of 30 CCCs and 13 centers administered under competitive contract with the Department of Labor. In summary, it was found that the annual per-person costs are higher at CCCs than at contract centers. However, youth who receive training at CCCs are more likely to be placed than youth who receive training at contract centers. Youth who obtain employment after training at CCCs are paid higher starting wages than youth trained at contract centers. Cost differences were found to be due mainly to the types of training provided. Also, residential living costs at CCCs are more expensive than at contract centers due to wages and higher food costs. Two appendices consist of lists of Job Corps Centers included in the review and the centers' cost components and definitions. (KH)

****
* Reproductions supplied by EDRS are the best that can be made *
* from the original document. *
****

UD

United States General Accounting Office

GAO

Briefing Report to the Chairman, Committee on Labor and Human Resources, United States Senate

July 1986

JOB CORPS

Its Costs, Employment Outcomes, and Service to the Public

ED274748

U.S. DEPARTMENT OF EDUCATION
Office of Educational Research and Improvement
EDUCATIONAL RESOURCES INFORMATION CENTER (ERIC)
✓ This document has been reproduced as received from the person or organization originating it.
☐ Minor changes have been made to improve reproduction quality.
• Points of view or opinions stated in this document do not necessarily represent official OERI position or policy.

"PERMISSION TO REPRODUCE THIS MATERIAL HAS BEEN GRANTED BY
U.S. GAO
TO THE EDUCATIONAL RESOURCES INFORMATION CENTER (ERIC)."

UD 025153

GAO

United States
General Accounting Office
Washington, D.C. 20548

Human Resources Division

B-223699

July 30, 1986

The Honorable Orrin G. Hatch
Chairman, Committee on Labor
and Human Resources
United States Senate

Dear Mr. Chairman:

Your January 9, 1986, letter noted that a recurring issue in employment policy is the cost effectiveness of the Civilian Conservation Centers (CCCs) which are part of the Job Corps program but operated under interagency agreement by the Departments of Agriculture and the Interior. Your letter also stated that the CCCs account for a sizeable amount of the funds from the Job Corps appropriation and, accordingly, continue to be both a budget and a policy issue. In accordance with your request, we have developed information on (1) the costs, job placements, and starting wages for youth after receiving training and (2) the nature and extent of public service activities performed by the CCCs and comparably sized Job Corps centers that are administered under competitive contract.

Our review included 29 of 30 CCCs and 13 centers administered under competitive contract with the Department of Labor. These 42 centers represent 40 percent of the program's 106 centers and 22 percent of the program's enrollment capacity. A list of these centers and their locations is included in appendix I. We selected contract centers with a capacity of 250 enrollees or less because none of the CCCs have a capacity of more than 250 enrollees.

The data in this report are from the program year beginning July 1, 1984--which is the most recent year for which data were available for this comparison. Our work was done between January and June 1986. During program year 1984, the 29 CCCs operated at a cost of $88.5 million while the 13 contract centers operated at a cost of $29.0 million.

In summary, we found that the annual per-person costs are higher at CCCs than at contract centers. However, youth who receive training at CCCs are more likely to be placed--that is become employed, enter additional training, return to school, or enter the military--than youth who receive training at contract centers. Youth who obtain employment after training at CCCs are paid higher starting wages than youth trained at contract centers. In addition, CCCs are more involved in public service activities, such as construction projects on public lands or in local communities.

The following table shows the principal differences between contract centers and CCCs regarding costs, placements, and starting wages for youth after receiving training and the appraised value (on a per-person basis) of public service projects undertaken by Job Corps enrollees.

	Annual cost (per person)	Placements (percent)	Average starting wages	Appraised value of public service projects (per person)
Contract centers	$10,545	70.9	$3.91	$ 644
Civilian Conservation Centers	14,776	84.2	4.47	3,687

Discussions with officials from the Departments of Labor, Agriculture, and the Interior and a major contractor, as well as our review of documentation, showed that the cost differences were largely due to the types of training provided. The annual per-person costs for vocational training is $2,800 more at CCCs than at contract centers. The CCCs have a greater amount of trade skills training, such as construction, bricklaying, and heavy equipment operation, which is more expensive than the training provided at contract centers. Contract centers offer training predominantly for service occupations, such as nurses' aides, clerk-typists, stenographers, bookkeepers, word processors, and food servers. Much of the cost difference is due to the salaries and other costs related to the unions that provide the trade skills training. The number of positions for trade skills in CCCs represents about 90 percent of the CCCs capacity, while the number of these slots at contract centers represents about 30 percent of contract centers' capacity. Program officials indicated that there are more union instructors at CCCs than at contract centers and that these union instructors are paid higher wages than the people who teach service occupation skills.

Also, residential living costs at CCCs are more expensive than at contract centers due to salaries, wages, and benefits paid to center personnel and higher food costs. Overall, average annual residential living per-person costs for CCCs exceed those for contract centers by about $1,160. Our review and discussions with program officials indicated that the CCCs, which are staffed by federal employees, have higher salary costs than the employees of the contract centers. Food costs are higher, in part, because CCCs are located in rural areas where competition for food supplies is less and transportation costs are greater than for contract centers which are located mostly in urban areas.

The extensive trade skills training at CCCs is perceived by program officials as the reason for higher placement rates and starting wages for youth leaving the program and for more involvement in public service projects. They noted that the trade skills training, which is more

extensively provided at CCCs, is more likely to result in skills that are more marketable and lead to higher paying jobs.

As requested, we did not obtain official agency comments on a draft of this report. However, we discussed its contents with officials from the Departments of Labor, Agriculture, and the Interior and a major contractor. They agreed that the information provided is accurate and that it fairly represents the difference between the two types of centers. Their comments have been incorporated where appropriate.

As arranged with your office, unless you release its contents earlier, we plan no further distribution of this briefing report until 10 days from its issue date. At that time we will send copies to the Departments of Labor, Agriculture, and the Interior and other interested parties, as well as making copies available to others upon request.

Should you have any questions or need additional information on this matter, please call me on 275-5365.

Sincerely yours,

for William J. Gainer
Associate Director

Contents

	Page
LETTER	1
JOB CORPS: ITS COSTS, EMPLOYMENT OUTCOMES, AND SERVICE TO THE PUBLIC	6
Background	6
Civilian Conservation Centers Are More Costly Than Similarly Sized Contract Centers	7
Vocational training and residential living costs are higher for Civilian Conservation Centers than for contract centers	7
Centers administered by Agriculture are more costly than those administered by Interior	10
Civilian Conservation Centers Have a Higher Placement Rate Than Contract Centers	11
Civilian Conservation Centers administered by Interior have a higher placement rate than those administered by Agriculture	13
Starting Wages for Youth Trained at Civilian Conservation Centers Are Higher Than for Youth Trained at Contract Centers	14
Civilian Conservation Centers Have Greater Involvement in Public Service Projects Than Contract Centers	15
Agriculture-administered centers are more involved in public service activities than Interior-administered centers	17
Objectives, Scope, and Methodology	18
APPENDIX	
I Job Corps Centers Included in Review	21
II Job Corps Centers' Cost Components and Definitions	22
Tables	
1 Average Annual Per-Person Cost for Civilian Conservation and Contract Centers	8
2 Placement Rates of Youth Leaving Civilian Conservation and Contract Centers	13
3 Hourly Starting Wages	15
4 Appraised Value of Public Service Projects Performed at Civilian Conservation and Contract Centers	17

Page

5 Appraised Value of Public Service Projects Performed at Centers Administered by the Departments of Agriculture and the Interior 18

Figures

1 Annual Cost Per Person for Job Corps Centers Administered by the Departments of Agriculture and Interior 10

2 Placement Rates of Youth Leaving Job Corps Program 12

3 Placement Rates of Youth Leaving Job Corps Centers Administered by the Departments of Agriculture and Interior 14

ABBREVIATION

CCC Civilian Conservation Center

JOB CORPS:

ITS COSTS, EMPLOYMENT OUTCOMES,

AND SERVICE TO THE PUBLIC

BACKGROUND

The Job Corps program is administered by the Office of the Job Corps, a component of the Department of Labor's Employment and Training Administration. The objective of the program is to provide basic education and vocational training for youth aged 16 to 21, who are severely educationally or economically disadvantaged. The training is primarily provided in a residential setting at 106 Job Corps centers located in 42 states, the District of Columbia, and Puerto Rico. At these centers, the enrolled youth are provided with housing, food, clothing, and medical and dental care. These centers have a capacity of about 40,500 youth. About 60,000 youth receive training in the program each year, with an average length of stay of about 8 months. The capacity of the centers ranges from 100 to 2,624, with an average center size of about 400.

The Job Corps' authorizing legislation[1] provides for the establishment of Civilian Conservation Centers (CCCs). It specifies that, in addition to training, they provide programs of work experience to conserve, develop, or manage public natural resources or recreational areas or develop community projects in the public interest. Currently, there are 30 CCCs operated by the Departments of Agriculture and the Interior under interagency agreement with the Department of Labor. These centers are located on public lands and most have been a part of the Job Corps program since 1965. The other 76 Job Corps centers are operated by local government entities and private for-profit and nonprofit contractors.

In February 1986, the administration proposed rescinding $196 million, or about 32 percent, of the Job Corps' fiscal year 1986 appropriation. This recision, plus a proposed reduction in fiscal year 1987 funding, would reduce the program from its fiscal year 1986 funding level of $640 million and capacity of 40,500 to a funding level of $351 million and capacity of 22,000 in fiscal year 1987. In support of these proposals, Department of Labor officials suggested that increased efficiency could result from closing the more expensive Job Corps centers, which they assert are those run by the federal government. However,

---

[1]The Job Corps program was originally established under Title I-A of the Economic Opportunity Act of 1964 (Public Law 88-452). Currently, it is authorized under Title IV-B of the Job Training Partnership Act (Public Law 97-300).

the Congress did not agree to the proposed recision and the funds from the Job Corps program's fiscal year 1986 appropriation are to be spent. As of July 18, 1986, the fiscal year 1987 budget had not been passed by the Congress.

As requested by Chairman Hatch and after subsequent discussions with his office, our objectives in the review were to compare and contrast the costs, placements, starting wages, and public service activities of 29 of the 30 CCCs and 13 comparably sized contract centers. Details on the scope and methodology of our work begin on page 18.

CIVILIAN CONSERVATION CENTERS ARE MORE COSTLY THAN SIMILARLY SIZED CONTRACT CENTERS

The average annual per-person cost[2] at a CCC is greater than that at the 13 contract Job Corps centers. This difference can be attributed primarily to more extensive and expensive vocational training and higher residential living costs at the CCCs. Also, the CCCs that are administered by the Department of Agriculture have higher costs than those administered by the Department of the Interior.

Vocational Training and Residential Living Costs are Higher for Civilian Conservation Centers Than for Contract Centers

Our review of the costs of the CCCs and comparably sized contract centers indicated that the annual per-person cost for the CCCs exceeded those for the contract centers by about 40 percent. The average annual per-person cost at CCCs is $14,776, $4,231 more than the $10,545 annual per-person cost at contract centers. Table 1 presents a breakdown of these costs.

---

[2]Per person refers to the equivalent of a youth enrolled in the Job Corps program for 1 full year.

Table 1:

Average Annual Per-Person Cost for Civilian Conservation and Contract Centers

Cost categories[a]	Civilian Conservation Centers	Contract centers	Difference
Residential living	$ 4,403	$ 3,246	$1,157
Education	989	688	301
Vocational training	4,034	1,232	2,802
Medical/dental	562	584	-22
Administration	2,298	1,902	396
Other expenses	981	1,038	-57
Management	1,509	1,855	-346
Total	$14,776	$10,545	$4,231

[a]See app. II for an explanation of these categories.

Program officials in the Departments of Labor, Agriculture, and the Interior and Career Systems (a major contractor) commented that the types of training offered at CCCs are more expensive than those offered at contract centers. In our review of documentation we found that the CCCs offer about six times as much trade skills related training (e.g., construction, bricklaying, heavy equipment operation) as the contract centers. Contract centers offer training mostly in service occupations, such as file clerks, clerk-typists, stenographers, bookkeepers, word processors, nurses' aides, food servers, and retail stock clerks.

Trade skills training (also referred to as vocational skills training) is defined by Department of Labor regulations as activities that "provide vocational instruction to corps members through actual construction or improvement of permanent facilities or projects." According to these regulations, vocational skills training provided in an actual work setting, involving authorized construction or other projects that result in finished facilities or products, is to be the major vehicle for the training of corps members at CCCs. The more costly vocational skills training at contract centers is far less extensive. The number of positions for vocational skills training (5,608) at CCCs is equal to about 90 percent of their capacity, while the number of positions for vocational skills training (869) at contract centers is equal to about 30 percent of their capacity.

The annual vocational training costs of CCCs average about $2,800 more per person than at contract centers. Unions generally provide the instruction on a contracted basis and these costs make up 65 percent of the difference. The average annual union cost per person at CCCs was about $2,225, while it averaged $400 at the 13 contract centers. (Union costs include salary and travel expenses for union instructors and an allocated portion of administrative costs.) Seven of the 13 contract centers had no union costs related to their vocational training programs. For the six centers that did have union costs, the average annual cost per person was $828, which is below the union cost at the CCCs. Program officials indicated that there are more union instructors at CCCs than at contract centers and that these union instructors are paid higher wages than the people who teach service occupation skills.

Although to a lesser extent than vocational training, residential living costs at the CCCs are higher than those at contract centers. These costs tend to be higher for CCCs primarily because of salaries, wages, benefits, and food costs. Clothing and recreation costs also contribute to this difference, but to a lesser extent. Overall, average annual residential living costs per person for CCCs exceeded those for contract centers by about $1,160. Of this amount, nearly $650 is the result of higher salaries, wages, and benefits for employees and about $370 is the result of higher food costs. In our review of documentation and from discussions with officials from the Departments of Agriculture, the Interior, and Labor and Career Systems, we found that the higher salary costs result because CCCs are staffed by federal employees. Salary and grade structure, as well as staffing patterns at the CCCs, are governed by an interagency agreement between the Departments of Labor, Agriculture, and the Interior, while the contractors determine the salaries of their center staff.

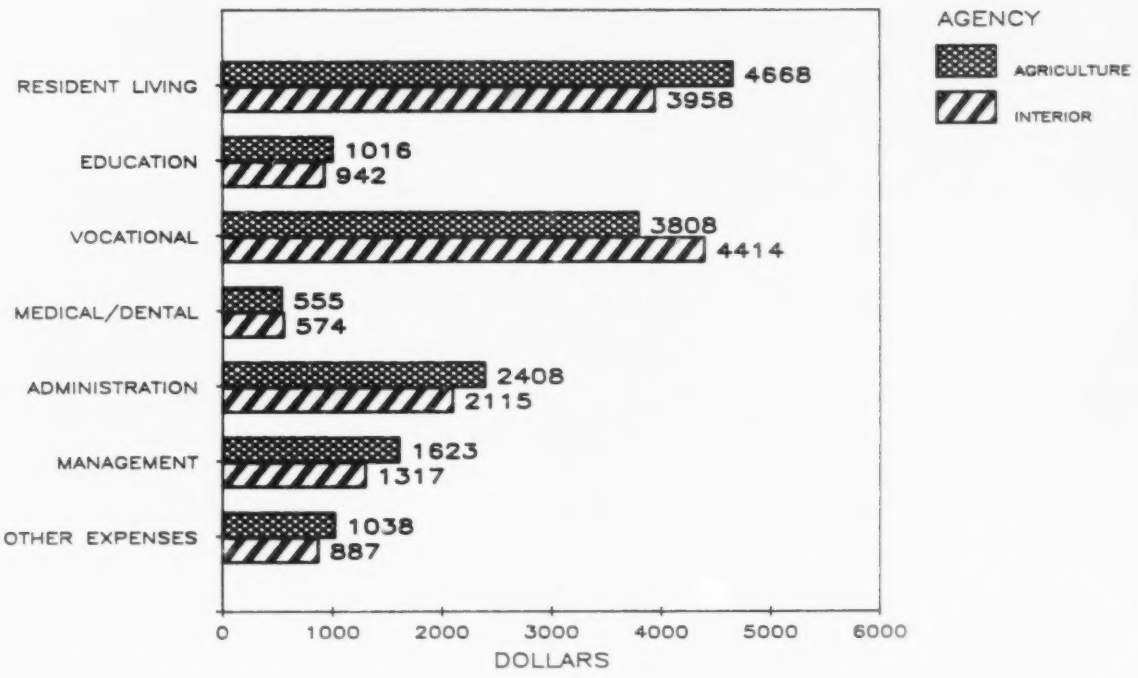
The Department of Agriculture and the Interior officials we spoke with indicated that one factor contributing to the higher food costs for the CCCs is the rural location of these centers. They suggested that the rural location of these centers means there is a lack of competition for food supplies and also greater transportation costs. The officials added that the contract centers are generally located in urban areas where competition is more prevalent and it is not necessary to transport the food over long distances. They also said that differences in food costs could be attributed to more meals being provided to the youth enrolled in the CCCs. (All youth enrolled in CCCs are residential and are served 3 meals per day, 7 days per week.) Not all youth receive training at contract centers on a residential basis. The program's authorizing legislation allows up to 10 percent of the participants (program-wide) to receive services on a nonresidential basis. Of the 13 contract centers reviewed, 9 had nonresidential youth enrolled, which represented

16 percent of these centers' capacity. (Program-wide, 9.4 percent of the participants receive services on a nonresidential basis.) Department of Labor officials said that they did not know why there was a difference in the food costs between CCCs and contract centers, but added that the rural location of the CCCs and the use of nonresidential services at contract centers could be factors.

Centers Administered by Agriculture Are More Costly Than Those Administered By Interior

The average annual per-person cost for the centers operated by the Department of Agriculture exceeded those administered by the Department of the Interior by $909. The average annual per-person cost was $15,116 for Agriculture and $14,207 for Interior. Figure 1 shows the annual per-person costs by category for the Departments of Agriculture and the Interior.

FIGURE 1
ANNUAL COST PER PERSON FOR JOB CORPS CENTERS ADMINISTERED BY THE DEPARTMENTS OF AGRICULTURE AND INTERIOR



CIVILIAN CONSERVATION CENTERS HAVE A HIGHER PLACEMENT RATE THAN CONTRACT CENTERS

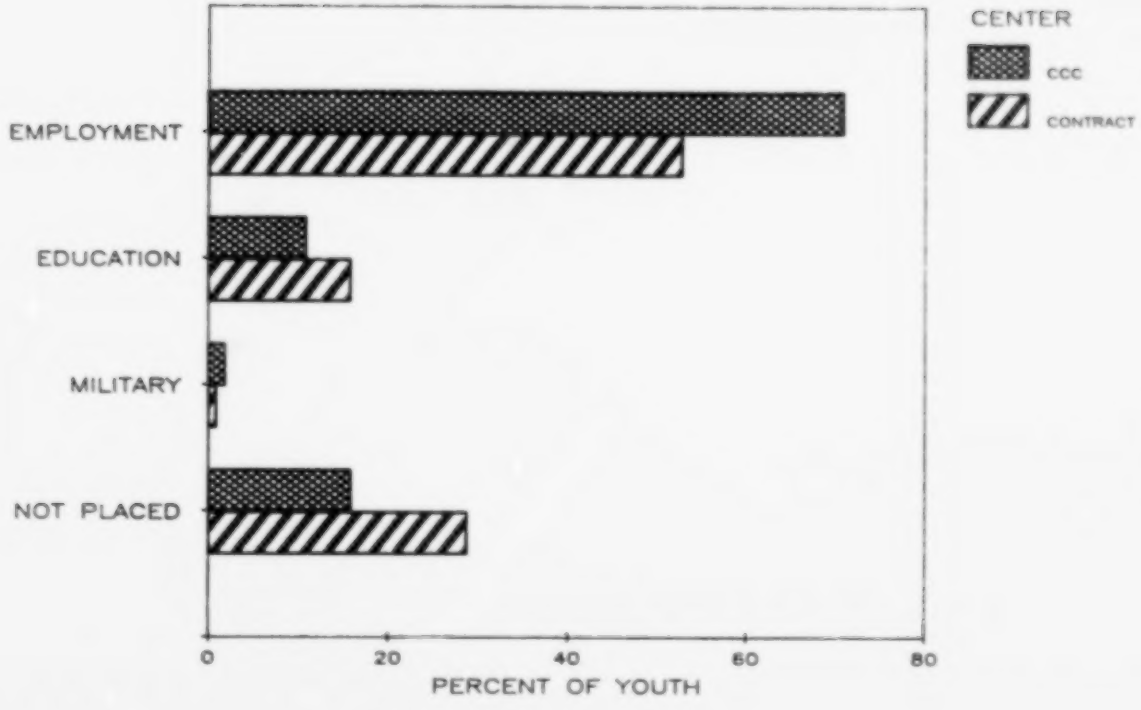
An overall objective of the Job Corps is to enhance each youth's employability and to successfully place each corps member. The placement of corps members is the primary responsibility of placement agencies. Placement agencies are organizations with which the Job Corps contracts to provide such services. These organizations include state employment service agencies, unions, and other private nonprofit and for-profit organizations. According to program regulations, placement agencies are also to give priority placement to program completers and those youth with the longest length of stay in the Job Corps program. Unions that train corps members under Job Corps contracts are responsible for placing program completers in apprenticeship programs or training-related jobs whenever feasible.

Youth who complete training at CCCs are more likely to be placed than youth who complete training at contract centers. A placement is one in which the youth leaving the program becomes employed, returns to school or enters a different job training program, or enters the military within 6 months of leaving the program. The rate of placements for youth leaving CCCs during this period was 84.2 percent. Of the 7,121 available for placement, 5,995 were placed.[3] The rate of placements for youth leaving the 13 contract centers was 70.9 percent. Of the 3,062 available for placement, 2,170 were placed. Information on placement outcomes appears in figure 2.

---

[3]Not included here or in fig. 2 are the 994 youth (664 from CCCs and 330 from contract centers) who left the program and have not been located. Accordingly, their placement outcomes are unknown. Also excluded are the 113 youth from these centers who reentered the Job Corps program within 6 months of leaving the program.

FIGURE 2
PLACEMENT RATES OF YOUTH
LEAVING JOB CORPS PROGRAM



Officials at the Departments of Labor, Agriculture, and the Interior and Career Systems commented that these placement differences may be the result of the types of training provided and union involvement at the CCCs. They said that the trade skills training provided at the CCCs is more marketable and therefore more likely to result in a job placement than the training provided at contract centers. Also they believe that placements for CCCs are higher because unions that train corps members are responsible for placing program completers in apprenticeship programs whenever feasible.

Youth remaining in the program for longer periods of time, both at CCCs and contract centers, generally have a greater likelihood of placement and are, therefore, placed more often. Department of Labor placement data are aggregated into three categories based on the nature and duration of stay in the Job Corps program. The first category represents those youth who completed their designated programs. The second category is for youth who are in the program for 90 days or more but did not complete the program and the third category is for those that were in the program for less than 90 days. Table 2 provides information on placements by these categories.

Table 2:

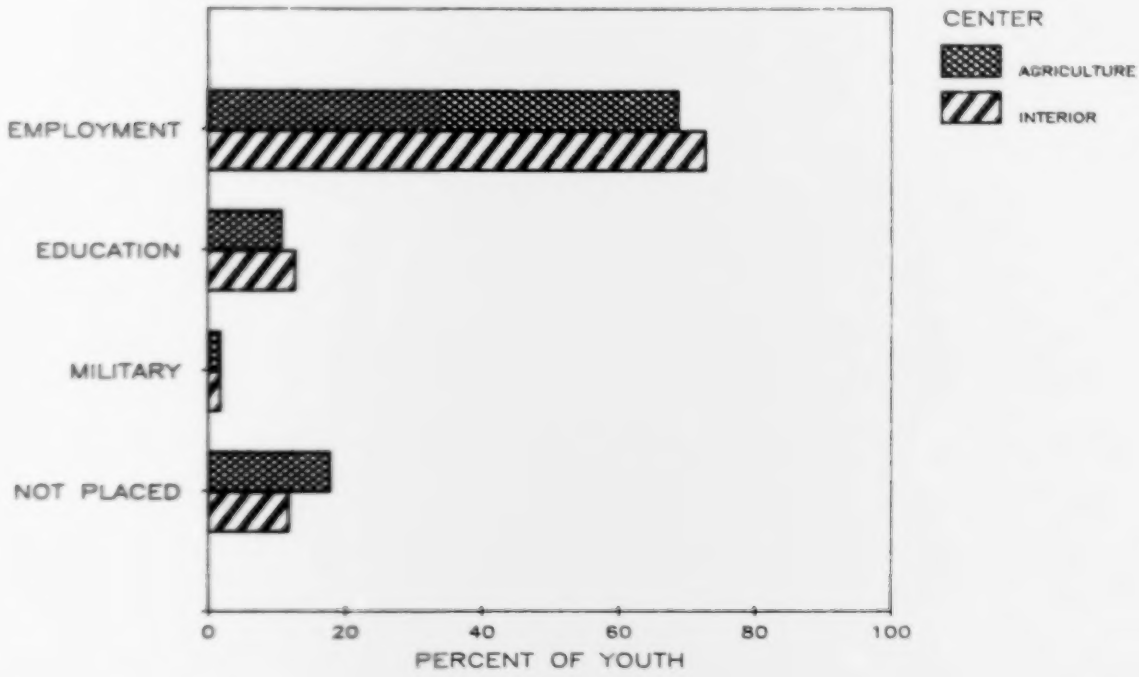
Placement Rates of Youth Leaving
Civilian Conservation and Contract Centers

	CCCs		Contracts	
Participants who:	Percent placed	Percent of total placements	Percent placed	Percent of total placements
Completed program	91.5	45.6	77.8	45.7
Did not complete program:				
--in program 90 days or more	90.0	33.4	70.1	28.3
--in program less than 90 days	75.9	21.0	61.5	26.0
Total	84.2	100.0	70.9	100.0

Civilian Conservation Centers Administered By Interior Have a Higher Placement Rate Than Those Administered By Agriculture

During program year 1984, Interior-administered centers placed 87.8 percent of 2,743 corps members available for placement. During the same period, 81.9 percent of the 4,378 corps members available for placement from Agriculture-administered centers were placed. Figure 3 shows the placement outcomes for the CCCs.

FIGURE 3
PLACEMENT RATES OF YOUTH LEAVING JOB CORPS CENTERS ADMINISTERED BY THE DEPARTMENTS OF AGRICULTURE AND INTERIOR



At both Agriculture- and Interior-administered centers, youth remaining in the program for longer periods of time had higher placement rates.

STARTING WAGES FOR YOUTH TRAINED AT CIVILIAN CONSERVATION CENTERS ARE HIGHER THAN FOR YOUTH TRAINED AT CONTRACT CENTERS

In program year 1984, the starting wages for youth who were employed after receiving Job Corps training at CCCs were about 14 percent higher than those trained at contract centers. Youth trained at CCCs reported an hourly starting wage of $4.47, while those trained at contract centers reported hourly starting wages of $3.91. The youth trained at the CCCs administered by both Agriculture and Interior had starting wages higher than those from the contract centers reviewed. The CCCs administered by the Department of Agriculture reported starting hourly wages of $4.40, while those administered by the Department of the Interior reported starting hourly wages of $4.60.

Officials from the Departments of Labor, Agriculture, and the Interior and Career Systems believe that the differences in starting wages is the result of the type of training provided at the CCCs. They indicated that the trade skills training provided at CCCs generally results in jobs that have a higher starting wage than do the service occupation skills taught in the contract centers.

Also, at the CCCs (both Agriculture- and Interior-administered) and contract centers, the youth who remained in the program for longer periods of time were more likely to have a higher hourly starting wage, as indicated in table 3.

Table 3:

Hourly Starting Wages

	Youth trained at:			
Participants who:	Agriculture CCCs	Interior CCCs	All CCCs	Contract centers
Completed program	$4.85	$5.18	$4.98	$4.07
Did not complete program:				
--in program 90 days or more	4.00	4.11	4.04	3.79
--in program less than 90 days	3.77	3.85	3.80	3.69
Total	$4.40	$4.60	$4.47	$3.91

CIVILIAN CONSERVATION CENTERS HAVE GREATER INVOLVEMENT IN PUBLIC SERVICE PROJECTS THAN CONTRACT CENTERS

CCCs are authorized to provide vocational training on projects that benefit the public. These projects are classified into four categories. They are: (1) conservation--projects undertaken on any public land and directed primarily toward conserving, developing, and managing the public natural resources and public recreational areas; (2) center--projects undertaken on Job Corps center facilities; (3) community--projects that primarily benefit the local community and are performed with community participation on lands belonging to the

state, county, municipality, or other public agency;[4] and (4) service occupation training--projects not included in the other categories, but including such things as corps members assigned on a recurring basis from their vocational skills training to such areas as cooking and auto mechanics. As agreed with the Chairman's office we limited our analysis to the first three categories. Only the Department of Agriculture reported any activity in the fourth category.

The CCCs are more extensively involved in public service projects than are the contract centers. In total, the 29 CCCs performed services on projects with an appraised value of $22 million in program year 1984, while the 13 contract centers performed services on projects with an appraised value of $1.7 million. The annual public service activities at the CCCs equaled $3,687 per person, while these activities at the contract centers were $644 per person. The majority of these activities is spent on center projects. Sixty-one percent of the public service activities performed by CCCs and 90 percent of those performed by contract centers were construction, rehabilitation, and maintenance projects undertaken on Job Corps center facilities. Table 4 shows the appraised value of these projects.

---

[4]Community projects are not to involve capital construction that would normally be handled through city funding, industry funding, or bond issue.

Table 4:

Appraised Value of Public Service Projects Performed at Civilian Conservation and Contract Centers

Type of projects	Total value CCCs	Total value Contracts
	(thousands)	
Conservation	$ 5,834 (26.4%)	$ 0 (0.0%)
Center	13,542 (61.3%)	1,585 (89.6%)
Community	2,710 (12.3%)	184 (10.4%)
Total	$22,086(100.0%)	$1,769(100.0%)

Type of projects	Value per person CCCs	Value per person Contracts
Conservation	$ 974	$ 0
Center	2,261	577
Community	452	67
Total	$3,687	$644

Officials from the Departments of Labor, Agriculture, and the Interior and Career Systems indicated again that this difference is due to the training provided. They noted that the public service work that the CCCs perform frequently involves construction trades, resulting in projects with high appraised values.

Agriculture-Administered Centers Are More Involved in Public Service Activities Than Interior-Administered Centers

The Agriculture-administered centers were engaged in public service activities valued at $854,000 per center ($15.4 million in total), while the Interior-administered centers reported public service activities valued at $611,000 per center ($6.7 million in total). The value of these projects per person was $4,094 at Agriculture-administered centers and $3,004 at the Interior-administered centers. Both groups of CCCs were more involved in center projects--60 percent at the Agriculture-administered centers and 65 percent at the Interior-administered centers. Table 5 shows the total appraised value and value per person provided for each type of public service activity.

Table 5:

Appraised Value of Public Service Projects Performed at Centers Administered by the Departments of Agriculture and the Interior

Type of projects	Total value	
	Agriculture	Interior
	(thousands)	
Conservation	$ 4,808 (31.3%)	$1,026 (15.2%)
Center	9,189 (59.8%)	4,353 (64.8%)
Community	1,368 (8.9%)	1,342 (20.0%)
Total	$15,365(100.0%)	$6,721(100.0%)

Type of projects	Value of training per person	
	Agriculture	Interior
Conservation	$1,281	$ 458
Center	2,448	1,946
Community	365	600
Total	$4,094	$3,004

OBJECTIVES, SCOPE, AND METHODOLOGY

In response to a request from the Chairman, Senate Committee on Labor and Human Resources and subsequent discussions with his office, we obtained information on certain aspects of the Job Corps program. Our objectives were to obtain and analyze cost, placement, and starting wage data and information on the nature and extent of the public services engaged in by the Job Corps program's CCCs and other centers of comparable size that are administered under competitive contract. As agreed with the Chairman's office, the information contained in this briefing report is from program year 1984--July 1, 1984, to June 30, 1985. This was the most recent data available at the time of our review, January through June 1986.

Our review included 29 of the 30 CCCs. Eighteen are administered by the Department of Agriculture's Office of Human Resource Programs, a component of the U.S. Forest Service and 11 are administered by the Department of the Interior's Office of Youth Programs. (We excluded one CCC administered by the Department of the Interior because it relocated and was extensively renovated in program year 1984, causing it to operate at

about one-half capacity and thus skewing costs in relation to services provided.) Because no CCC has a capacity in excess of 250, we limited our comparison to contract centers of comparable size--a capacity of 250 or less. Fifteen of the 76 Job Corps contract centers had a capacity of 250 or less and we included 13 of them in our review. (Two centers which met these criteria were not included because they relocated during program year 1984, and in the opinion of Job Corps officials had distorted cost data for that year.) The 42 centers included in this review (29 CCCs and 13 contract centers) represent 40 percent of the Job Corps centers. They have a capacity of 9,029, 22 percent of the program's capacity. During program year 1984, the 29 CCCs operated at 97.0 percent of capacity and at a cost of $88.5 million. The 13 contract centers operated at 96.3 percent of capacity and at a cost of $29.0 million.

The cost, placement, wage, and public service activity data we analyzed were obtained primarily from the Department of Labor's automated management system and represent an accumulation of information reported periodically to Labor by CCCs (through their parent organizations), contract centers, and placement agencies. While we did not verify these data back to source documents, we discussed with Department of Labor, Agriculture, and the Interior officials the systems that they had in place to verify the data and the extent to which they were verified. We confirmed the information the officials provided with the organizational components charged with verifying the data. The officials believe that the data are accurate and reliable.

We obtained annual costs for each cost category and divided them by the average daily population of the centers for program year 1984. This results in the annual cost per participant. The placement rates cited in this report are the percent of placements. According to the Job Corps regulations, a placement occurs when a youth leaving the Job Corps program (1) obtains a job, (2) returns to school or enters another training program, or (3) enters the military within 6 months of the time he or she leaves the program. This determination does not consider the duration for which the job is held or if a job is obtained after the 6-month period. The wage data contained in this report reflect the starting wage paid to a youth at the time he or she becomes employed after leaving the Job Corps program.

According to Job Corps program manuals, the appraised value of the public service activities is the estimated cost of the project if it would have been done by formal contract methods. The appraised value must be made by a professionally qualified individual from the appropriate agency. We used the appraised value of the work performed during the 1984 program year. This consists of work (1) started and completed during the year, (2) completed during the program year but started in a previous

year, (3) started during the program year but not completed by the end of the program year, and (4) started in a previous year, continued during the program year but was not completed by the end of the program year.

As requested by the Chairman's office, we did not obtain official agency comments. However, the contents of this briefing report were discussed with officials from the Departments of Labor, Agriculture, and the Interior and a representative of Career Systems. Career Systems is part of the Education Division of the Singer Corporation and has contracts with the Department of Labor to administer 10 Job Corps centers, 2 of which are included in this review. The views of these officials have been incorporated where appropriate.

Our review was conducted in accordance with generally accepted government auditing standards.

JOB CORPS CENTERS INCLUDED IN REVIEW

Civilian Conservation Centers	Location
Department of Agriculture	
Anaconda	Anaconda, Montana
Angell	Yachats, Oregon
Blackwell	Laona, Wisconsin
Boxelder	Nemo, South Dakota
Cass	Ozark, Arkansas
Curlew	Wauconda, Washington
Flatwoods	Coeburn, Virginia
Frenchburg	Mariba, Kentucky
Golconda	Golconda, Illinois
Jacobs Creek	Bristol, Tennessee
L. B. Johnson	Franklin, North Carolina
Ouachita	Royal, Arkansas
Pine Knot	Pine Knot, Kentucky
Pine Ridge	Chadron, Nebraska
Schenck	Brevard, North Carolina
Timber Lake	Estacada, Oregon
Trapper Creek	Darby, Montana
Wolf Creek	Glide, Oregon
Department of the Interior	
Collbran	Collbran, Colorado
Columbia Basin	Moses Lake, Washington
Fort Simcoe	White Swan, Washington
Gateway	Brooklyn, New York
Harpers Ferry	Harpers Ferry, West Virginia
Iroquois	Medina, New York
Marsing	Marsing, Idaho
Mingo	Puxico, Missouri
Oconaluftee	Cherokee, North Carolina
Treasure Lake	Indiahoma, Oklahoma
Weber Basin	Ogden, Utah
Contract Centers	
Bamberg	Bamberg, South Carolina
Blue Ridge	Marion, Virginia
Carl D. Perkins	Prestonburg, Kentucky
Cassadaga	Cassadaga, New York
Cincinnati	Cincinnati, Ohio
Hubert Humphrey	St. Paul, Minnesota
Jacksonville	Jacksonville, Florida
Laredo	Laredo, Texas
Little Rock	Little Rock, Arkansas
Miami	Miami, Florida
Roswell	Roswell, New Mexico
South Bronx	Bronx, New York
Tuskegee	Tuskegee, Alabama

APPENDIX II

JOB CORPS CENTERS' COST COMPONENTS AND DEFINITIONS

Residential Living

Clothing	
Food	
Morale, Recreation, and Welfare	Supplies and materials; contracted rentals of facilities
Residential Living Operating Expenses	Enrollee transportation; center administration supplies and services, such as kitchen and dining supplies
Salaries, Wages, and Benefits	Kitchen, dining hall, safety, recreational program, and guidance counseling personnel

Education

Education Operating Expenses	Educational supplies and materials; enrollees transportation and educational rentals
Salaries, Wages, and Benefits	Educational program personnel, such as supervisors, teachers, and teachers aides whose primary duties are in the basic education program

Vocational

Vocational Operational Expense	Vocational material and supplies used in classroom training; vocational services, such as contracts for the repair and maintenance of vocational equipment and rental of vocational equipment
Union Cost	Salaries and travel costs for union instructors
Salaries, Wages, and Benefits	Vocational program personnel, such as supervisors and teachers whose primary duties are in the vocational training program
Vocational Skills Training	Supplies and materials used for construction

Medical and Dental

Medical and Dental Operating Expenses	
Salaries, Wages, and Benefits	Medical and dental personnel

Administration

Center Facilities Maintenance	
Communications	
Utilities and Fuel	
Other Administration Expenses	Motor vehicles operation and maintenance; office supplies and services, etc.
Salaries, Wages, and Benefits	Maintenance personnel and other support, such as security and warehouse personnel

Other Expenses

Facility Lease Cost	
General and Administrative Expenses	Contractor's general and administrative expenses (not included elsewhere)
Contractor's Fee	
Income	Food sales for staff and visitors; reimbursement by corps members for breakage and loss of center property; sale of tools to corps members; and reimbursement by GSA for vehicle maintenance and fuel

Management

- Insurance
- Travel and Training
- Salaries, Wages, and Benefits — Center director and other managerial personnel who spend over one-half their time in overall center administration
- Legal and Accounting Services
- Consultant Costs

(205067)

Requests for copies of GAO reports should be sent to:

U.S. General Accounting Office
Post Office Box 6015
Gaithersburg, Maryland 20877

Telephone 202-275-6241

The first five copies of each report are free. Additional copies are $2.00 each.

There is a 25% discount on orders for 100 or more copies mailed to a single address.

Orders must be prepaid by cash or by check or money order made out to the Superintendent of Documents.